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**CORAZON MINING LIMITED**  
**ACN 112 898 825**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 10:00am (WST)  
**DATE:** Monday, 8 November 2021  
**PLACE:** PKF Perth  
5/35 Havelock St  
WEST PERTH WA 6005

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am on 6 November 2021.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**A voting prohibition statement applies to this Resolution. Please see below.**

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#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – TERRY STREETER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Terry Streeter, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

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#### 4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES ISSUED PURSUANT TO LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 30,458,054 Shares to the Tranche 1 Placement Participants on the terms and conditions set out in the Explanatory Statement."*

**A voting exclusion statement applies to this Resolution. Please see below.**

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#### 5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES ISSUED PURSUANT TO LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 20,305,369 Shares to the Tranche 1 Placement Participants on the terms and conditions set out in the Explanatory Statement."*

**A voting exclusion statement applies to this Resolution. Please see below.**

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## 6. RESOLUTION 5 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 31,250,000 Shares to the Tranche 2 Placement Participants (or their nominees) on the terms and conditions set out in the Explanatory Statement.”*

**A voting exclusion statement applies to this Resolution. Please see below.**

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## 7. RESOLUTION 6 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 4,000,000 Options to Peloton Capital Pty Ltd (or its nominees) on the terms and conditions set out in the Explanatory Statement.”*

**A voting exclusion statement applies to this Resolution. Please see below.**

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## 8. RESOLUTION 7 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”*

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## 9. RESOLUTION 8 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to modify its existing Constitution by renewing clause 36 for a period of 3 years from the date of approval of this Resolution.”*

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**Dated: 4 October 2021**

**By order of the Board**

**Rob Orr**  
**Company Secretary**

**Voting Prohibition Statements**

<b>Resolution 1 – Adoption of Remuneration Report</b>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> <li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a Closely Related Party of such a member.</li> </ul> <p>However, a person (the <b>voter</b>) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> <li>(ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.</li> </ul> </li> </ul>
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### Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

<b>Resolution 3 – Ratification of prior issue of Tranche 1 Placement Shares issued pursuant to Listing Rule 7.1</b>	<p>The Tranche 1 Placement Participants or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.</p>
<b>Resolution 4 – Ratification of prior issue of Tranche 1 Placement Shares issued pursuant to Listing Rule 7.1A</b>	<p>The Tranche 1 Placement Participants or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.</p>
<b>Resolution 5 – Approval to issue Tranche 2 Placement Shares</b>	<p>The Tranche 2 Placement Participants or any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).</p>
<b>Resolution 6 – Approval to issue Lead Manager Options</b>	<p>Peloton Capital Pty Ltd (or its nominees) or any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).</p>

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting by proxy**

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

### **Voting in person**

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from Advanced Share Registry Services will need to verify your identity.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6142 6366.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.corazon.com.au](http://www.corazon.com.au).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

## **2.3 Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

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## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – TERRY STREETER**

### **3.1 General**

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Terry Streeter, who has served as a Director since 18 September 2019, and was last elected on 25 November 2019, retires by rotation and seeks re-election.

### **3.2 Qualifications and other material directorships**

Mr Streeter has extensive experience in funding, listing and overseeing junior explorers in all exploration and economic cycles and has served in various roles in the nickel sulphide industry for over 30 years. He was a Director of W.A. nickel explorer and miner Jubilee Mines NL from 1993 to May 2004 and was a founding shareholder of Western Areas NL (ASX: WSA) in 1999, which went on to discover and develop two high-grade nickel sulphide mines in the Forrestania region of WA. Mr Streeter also served as a Non-Executive Director of Western Areas from 1999, and Non-Executive Chairman from 2007 to November 2013. He is currently a Non-Executive Chairman of Fox Resources Ltd, Non-Executive Chairman of Moho Resources Ltd and Non-Executive Director of Emu Resources NL.

### **3.3 Independence**

If re-elected the Board considers Terry Streeter will be an independent Director.

### **3.4 Board recommendation**

The Board has reviewed Terry Streeter's performance since his appointment to the Board and considers that Mr Streeter's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Streeter and recommends that Shareholders vote in favour of Resolution 2.

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## **4. BACKGROUND TO RESOLUTIONS 3 TO 6**

### **4.1 Overview of the Placement**

As announced on 15 September 2021, the Company received firm commitments from professional and sophisticated investors to raise approximately \$2.6 million through the issue of up to 82,013,423 Shares at an issue price of \$0.032 per Share (**Placement**).

The Placement is proposed to be completed in two tranches, comprising:

- (a) the issue of 50,763,423 Shares on 23 September 2021 under the Company's Listing Rule 7.1 and 7.1A capacity (**Tranche 1 Placement**); and
- (b) the issue of up to 31,250,000 Shares will be issued subject to the Company obtaining Shareholder approval under Resolution 5 (**Tranche 2 Placement**).

The funds raised under the Placement are intended to be predominantly applied to advance Corazon's nickel-focused exploration activities, including drilling of priority targets at the Lynn Lake Nickel-Copper-Cobalt Sulphide Project in Canada and completing due diligence for the potential acquisition of the Miriam Nickel Sulphide Project in Western Australia, as well as for working capital.

Resolutions 3 and 4 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Shares under the Tranche 1 Placement and Resolution 5 seeks Shareholder approval for the issue of the up to 31,250,000 Shares under the Tranche 2 Placement.

Further details in respect of the Placement are set out in the ASX announcement released on 15 September 2021.

## 4.2 Lead Manager

The Company has engaged the services of Peloton Capital Pty Ltd (ACN 149 540 018) (AFSL 406 040) (**Peloton**) as the lead manager to the Placement. The material terms and conditions of the mandate with Peloton (**Mandate**) are set out below:

<b>Scope of Work/Services</b>	Peloton will act as exclusive advisor in respect of managing the Placement and will provide equity capital markets advisory services to the Company following completion of the Placement for the term of the Mandate.
<b>Term</b>	The engagement pursuant to the Mandate commenced on 10 September 2021 and will continue until the completion date of the Placement, unless otherwise terminated.
<b>Fees</b>	Under the terms of this engagement, the Company will pay the Lead Manager: <ul style="list-style-type: none"> <li>(a) a capital raising fee of 6% of the gross proceeds of the Placement (being a maximum of \$157,466); and</li> <li>(b) subject to Shareholder approval being obtained, a success fee of 4,000,000 Options, issued upon completion of the Placement, with an exercise price of \$0.10 exercisable on or before 20 May 2024. Shareholder approval for the issue of these Options is sought pursuant to Resolution 6.</li> </ul>
<b>Expenses</b>	The Company will reimburse Peloton all reasonable travel and other out of pocket expenses (including, legal fees and third-party disbursements) properly incurred in relation to the engagement of Peloton under the Mandate, irrespective of completion of the Placement. Any expense incurred above \$2,000 will require prior approval of the Company.
<b>Termination</b>	The Mandate may be terminated by: <ul style="list-style-type: none"> <li>(a) either party may terminate the Mandate with immediate effect if the other party has materially failed to comply with its obligations under the Mandate and failed to rectify the non-</li> </ul>



	compliance within 10 business days of being given notice by the first mentioned party to do so; and
(b)	the parties may terminate the Mandate without cause by giving 20 days written notice.

Resolution 6 seeks Shareholder approval for the issue of 4,000,000 Options exercisable at \$0.10 each on or before 20 May 2024 (**Lead Manager Options**) to Peloton (or its nominees).

## 5. RESOLUTIONS 3 AND 4 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES PURSUANT TO LISTING RULES 7.1 AND 7.1A

### 5.1 General

Resolutions 3 and 4 seek Shareholder ratification pursuant to Listing Rule 7.4 for the 50,763,423 Shares at an issue price of \$0.032 per Share under the Tranche 1 Placement (**Tranche 1 Placement Shares**).

30,458,054 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being the subject of Resolution 3) and 20,305,369 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 24 November 2020 (being the subject of Resolution 4).

Further information in relation to the Placement and the issue of the Tranche 1 Placement Shares is set out in Section 4.1 above.

### 5.2 Listing Rules 7.1 and 7.1A

Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 7 being passed by the requisite majority at this Meeting.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Tranche 1 Placement Shares.

### 5.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

#### **5.4 Technical information required by Listing Rule 14.1A**

If Resolutions 3 and 4 are passed, the Tranche 1 Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

If Resolutions 3 and 4 are not passed, the Tranche 1 Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 7 being passed at this Meeting.

#### **5.5 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 3 and 4:

- (a) the Tranche 1 Placement Shares were issued to professional and sophisticated investors who are clients of Peloton Capital Pty Ltd (**Tranche 1 Placement Participants**). The Tranche 1 Placement Participants were identified through a bookbuild process, which involved Peloton Capital Pty Ltd seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) 50,763,423 Tranche 1 Placement Shares were issued on the following basis:
  - (i) 30,458,054 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 3); and
  - (ii) 20,305,369 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 4);
- (c) the Tranche 1 Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Tranche 1 Placement Shares were issued on 23 September 2021;
- (e) the issue price was \$0.032 per Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Placement Shares;

- (f) the purpose of the issue of the Tranche 1 Placement Shares and the intended use of funds raised under the Placement is summarised in Section 4.1; and
- (g) the Tranche 1 Placement Shares were not issued under an agreement.

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## **6. RESOLUTION 5 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES**

### **6.1 General**

Resolution 5 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of 31,250,000 Shares at an issue price of \$0.032 per Share to raise a further \$1,000,000 under the Tranche 2 Placement (**Tranche 2 Placement Shares**).

Further information in relation to the Placement and the issue of the Tranche 2 Placement Shares is set out in Section 4.1 above.

### **6.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 5.2 above.

The proposed issue of the Tranche 2 Placement Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

### **6.3 Technical information required by Listing Rule 14.1A**

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares. In addition, the issue of the Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares and will not be able to raise any further funds under the Placement.

### **6.4 Technical information required by Listing Rule 7.1**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the Tranche 2 Placement Shares will be issued to professional and sophisticated investors who are clients of Peloton Capital Pty Ltd (**Tranche 2 Placement Participants**). The recipients will be identified through a bookbuild process, which will involve Peloton Capital Pty Ltd seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) the maximum number of Tranche 2 Placement Shares to be issued is 31,250,000. The Tranche 2 Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Tranche 2 Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Tranche 2 Placement Shares will occur on the same date;

- (d) the issue price of the Tranche 2 Placement Shares will be \$0.032 per Tranche 2 Placement Share. The Company will not receive any other consideration for the issue of the Tranche 2 Placement Shares;
- (e) the purpose of the issue of the Tranche 2 Placement Shares and the intended use of funds raised under the Placement is summarised in Section 4.1
- (f) the Tranche 2 Placement Shares are not being issued under an agreement; and
- (g) the Tranche 2 Placement Shares are not being issued under, or to fund, a reverse takeover.

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## **7. RESOLUTION 6 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS**

### **7.1 General**

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Lead Manager Options.

Further information in relation to the Placement, the appointment of Peloton as lead manager and the issue of the Lead Manager Options is set out in Section 4.1 above.

### **7.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 5.2 above.

The proposed issue of the Lead Manager Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

### **7.3 Technical information required by Listing Rule 14.1A**

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Lead Manager Options. In addition, the issue of the Lead Manager Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options. In such circumstances, the Company may be required to renegotiate payment terms under the Mandate, which may require the Company to pay Peloton additional cash fees.

### **7.4 Technical information required by Listing Rule 7.1**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 6:

- (a) the Lead Manager Options will be issued to Peloton (or its nominees);
- (b) the maximum number of Lead Manager Options to be issued is 4,000,000. The terms and conditions of the Lead Manager Options are set out in Schedule 1;
- (c) the Lead Manager Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any

ASX waiver or modification of the Listing Rules) and it is intended that issue of the Lead Manager Options will occur on the same date;

- (d) the Lead Manager Options will be issued at a nil issue price, in consideration for lead manager services provided by Peloton;
- (e) the purpose of the issue of the Lead Manager Options is to satisfy the Company's obligations under the Mandate;
- (f) the Lead Manager Options are being issued to Peloton (or its nominees) under the Mandate. A summary of the material terms of the Mandate is set out in Section 4.2; and
- (g) the Lead Manager Options are not being issued under, or to fund, a reverse takeover.

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## **8. RESOLUTION 7 – APPROVAL OF 7.1A MANDATE**

### **8.1 General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$ 9,137,432 (based on the number of Shares on issue and the closing price of Shares on the ASX on 23 September 2021).

Resolution 7 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 7 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

## **8.2 Technical information required by Listing Rule 7.1A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 7:

### **(a) Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

### **(b) Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 8.2(b)(i), the date on which the Equity Securities are issued.

### **(c) Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for a range of purposes including:

- (i) the acquisition of new resources and assets (including expenses associated with such an acquisition) such as the potential acquisition of the Miriam Nickel Sulphide Project as announced on 26 July 2021;
- (ii) continued growth and expenditure on the Company's Mt Gilmore Project and Lynn Lake Project (funds would then be used for continued exploration for new deposits, utilizing geophysics, geochemistry and drilling, continued advancement of resource, metallurgical and mining studies and ongoing project administration); and
- (iii) general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 7 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 23 September 2021.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.018	\$0.036	\$0.05
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	285,067,567 Shares	28,506,756 Shares	\$513,121	\$1,026,243	\$1,539,364
50% increase	427,601,351 Shares	42,760,135 Shares	\$769,682	\$1,539,364	\$2,309,047
100% increase	570,135,134 Shares	57,013,513 Shares	\$1,026,243	\$2,052,486	\$3,078,729

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 285,067,567 Shares on issue comprising:
  - (a) 253,817,567 existing Shares as at the date of this Notice of Meeting; and
  - (b) 31,250,000 Shares which will be issued if Resolution 5 is passed at this Meeting.
2. The issue price set out above is the closing market price of the Shares on the ASX on 23 September 2021 being \$0.036.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 24 November 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 8 November 2020, the Company issued 36,549,664 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 0.79% of the total diluted number of Equity Securities on



issue in the Company on 8 November 2020, which was 231,847,623 (on a post-consolidation basis).

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issues:

Date of Issue	2 March 2021	23 September 2021
Recipients	Professional and sophisticated investors as part of a placement announced on 24 February 2021. The placement participants were identified through a bookbuild process, which involved PAC Partners seeking expressions of interest to participate in the placement from non-related parties of the Company.	Professional and sophisticated investors as part of a placement announced on 15 September 2021. The placement participants were identified through a bookbuild process, which involved Peloton Capital seeking expressions of interest to participate in the placement from non-related parties of the Company.
Number and Class of Equity Securities Issued	16,244,295 Shares <sup>2</sup>	20,305,369 Shares <sup>2</sup>
Issue Price and discount to Market Price <sup>1</sup> (if any)	\$0.05 per Share (at a discount of 13.79% to Market Price).	\$0.032 per Share (at a discount of 13.51% to Market Price).
Total Cash Consideration and Use of Funds	<p><b>Amount raised or to be raised =</b> \$812,214.75</p> <p><b>Amount spent =</b> \$812,214.75</p> <p><b>Use of funds:</b> used to advance Corazon's drilling of priority targets at the Lynn Lake Nickel-Copper-Cobalt Sulphide Project (Lynn Lake) in Canada, and preparation for the maiden drilling of a large copper-cobalt-silver-gold geochemical anomaly at the Mt Gilmore Copper-Cobalt-Gold Project (Mt Gilmore) in New South Wales, as well as for working capital.</p>	<p><b>Amount raised or to be raised =</b> \$649,771.81</p> <p><b>Amount spent =</b> \$649,771.81</p> <p><b>Use of funds:</b> Refer to Section 4.1</p>

**Notes:**

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: CZN (terms are set out in the Constitution).

3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

### **8.3 Voting Exclusion Statement**

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

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## **9. RESOLUTION 8 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION**

### **9.1 General**

Section 648G(1) of the Corporations Act provides that a company's proportional takeover approval provisions, unless sooner omitted from its constitution, cease to apply at the end of three years from adoption or renewal as appropriate unless otherwise specified.

When the provisions cease to apply the company's constitution is modified by omitting the provisions.

A company may renew its proportional takeover approval provisions in the same manner in which a company can modify its constitution (i.e., by special resolution of shareholders)

The Company's constitution (including the proportional takeover provisions set out in clause 36) was adopted on 27 November 2018. Accordingly, the proportional takeover provisions included in the Constitution apply until 27 November 2021 unless sooner omitted or renewed.

Resolution 8 is a special resolution which will enable the Company to modify its Constitution by renewing clause 36 for a period of 3 years from the date of Shareholder approval. It is noted that Shareholder approval will not result in a change to the wording of clause 36.

The Company is permitted to seek further Shareholder approval to renew this clause for further periods of up to 3 years on each occasion.

A copy of the Constitution was released to ASX on 28 November 2018 and is available for download from the Company's ASX announcements platform.

### **9.2 Proportional takeover provisions (clause 36 of Constitution)**

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

The proportional takeover provisions set out in clause 36 of the Constitution provides that a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause will cease to have effect on the third anniversary of the date of the adoption of the last renewal of the clause.

### 9.3 Information required by section 648G of the Corporations Act

(a) **Effect of proportional takeover provisions**

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed or the deadline for obtaining such approval has passed.

(b) **Reasons for proportional takeover provisions**

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle and assist in ensuring that any partial bid is appropriately priced.

(c) **Knowledge of any acquisition proposals**

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

(d) **Advantages and disadvantages of proportional takeover provisions during the period in which they have been in effect**

The Directors consider that the proportional takeover provisions had no advantages or disadvantages for them during the period in which they have been in effect.

The advantages and disadvantages of the proportional takeover provisions for Shareholders include those set out immediately below, which were applicable during the period in which they have been in effect.

(e) **Potential advantages and disadvantages of proportional takeover provisions**

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (i) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) assisting in preventing Shareholders from being locked in as a minority;

- (iii) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (i) proportional takeover bids may be discouraged;
- (ii) lost opportunity to sell a portion of their Shares at a premium; and
- (iii) the likelihood of a proportional takeover bid succeeding may be reduced.

#### **9.4 Recommendation of the Board**

The Directors do not believe the potential disadvantages outweigh the potential advantages of renewing the proportional takeover provisions and as a result consider that renewal of the proportional takeover provision set out in clause 36 of the Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 8.

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## GLOSSARY

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**\$** means Australian dollars.

**7.1A Mandate** has the meaning given in Section 8.1.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Corazon Mining Limited (ACN 112 898 825).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Listing Rules** means the Listing Rules of ASX.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**Variable A** means "A" as set out in the formula in Listing Rule 7.1A.2.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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**SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS**

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(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 20 May 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance

with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are not transferable.